

BANKING

Helgi's Pocket Guide

December 2012

Czech Republic

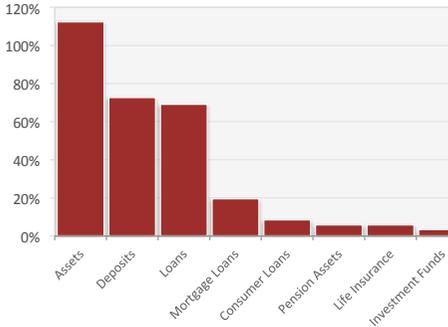


CZECH BANKING AT A GLANCE

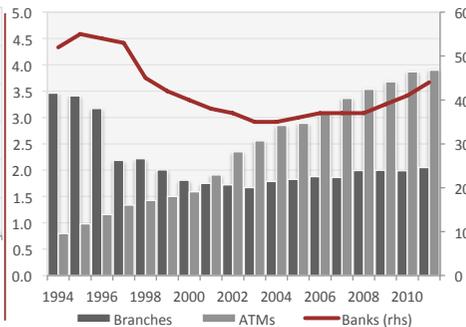
	1995	2000	2005	2010
Bank Assets (As Of GDP)	127%	131%	92%	112%
Bank Loans (As Of GDP)	53.5%	47.9%	36.9%	69.1%
Bank Deposits (As Of GDP)	55.8%	55.7%	57.8%	72.6%
Bank Loans (As Of Bank Deposits)	95.9%	86.0%	63.7%	95.1%
Net Interest Margin (As Of Total Assets)	2.74%	1.64%	2.29%	2.54%
Cost To Income Ratio	48.1%	65.7%	54.7%	44.0%
Non-Performing Loans (As Of Total Loans)		19.7%	4.1%	6.4%
Provisions (As % Of Non-Performing Loans)		93.7%	63.4%	55.7%
Bank Net Profit (USD mil)	50	386	1,634	2,912
Bank Return on Equity (ROE)	0.99%	8.5%	19.0%	16.8%
Bank Capital Adequacy Ratio	8.9%	14.9%	11.9%	15.5%
Number Of Banks	55	40	36	41
Market Share Of 3 Largest Banks (On Total Assets)			55.6%	51.5%



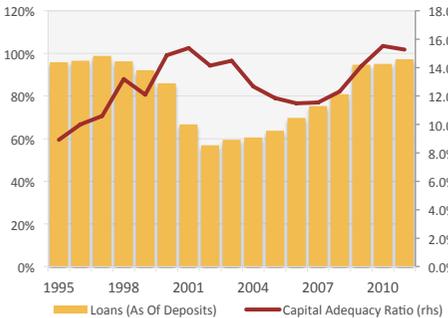
FINANCIAL PENETRATION (AS OF GDP), 2010



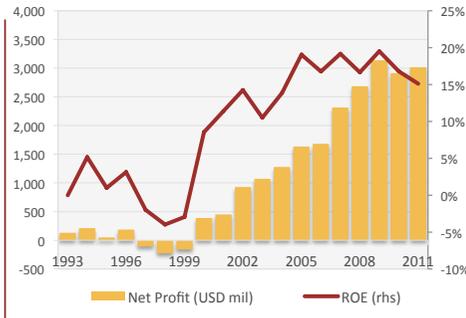
BANKING INFRASTRUCTURE



FUNDING AND CAPITAL



BANKING PROFITABILITY

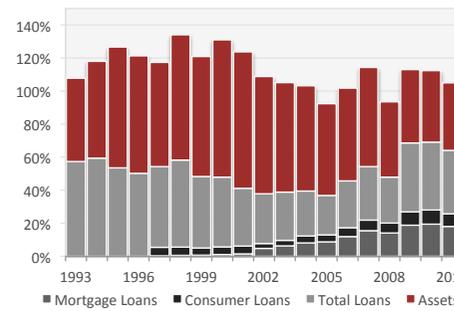


Source: World Bank, National Statistical Office, National Central Bank, United Nations, OECD, Helgi Analytics calculation

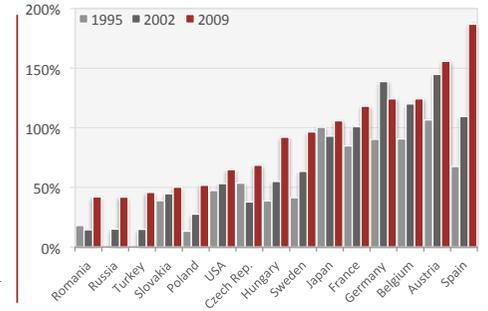


www.HelgiAnalytics.com

BANKING ASSETS (As Of GDP)

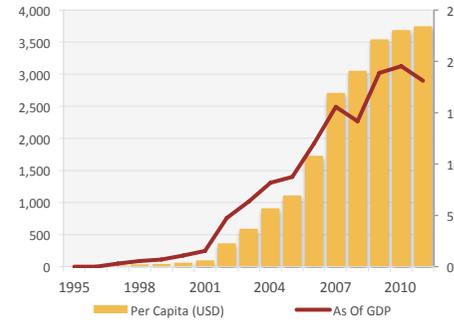


BANK LOANS (As Of GDP)

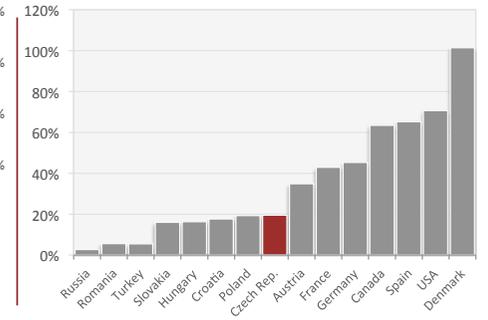


Czech banking remains under-leveraged compared to the more developed world. Bank assets have fallen to around 110% of GDP, roughly a half when compared to the most developed European economies. Having said that, Czech banking is strong, foreign-owned, and well funded and capitalised. The growth is based on solid grounds, such as a balanced economy and retail lending, which is a striking difference compared to the politically-motivated lending in the 1990s.

MORTGAGE LOANS

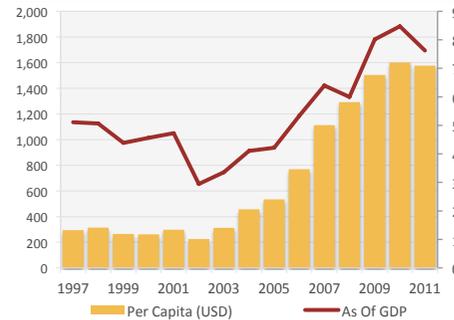


MORTGAGE LOANS (As Of GDP), 2010

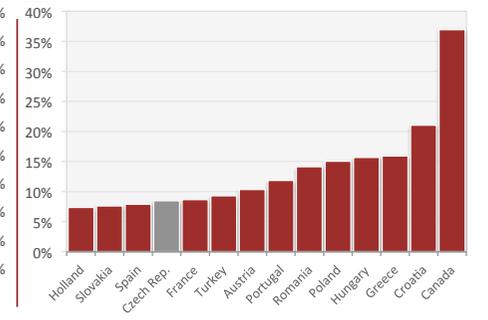


The mortgage lending boom has been one of the key drivers of rising real estate prices, but has also fuelled banks' asset and profit growth over the last decade. From virtually nothing in 1998, mortgage loans represent nearly a third of banks' loans now. Having said that, mortgage loans remain relatively small as a share of the economy (measured by GDP), or when compared to more developed countries.

CONSUMER INDEBTEDNESS



CONSUMER LOANS (As Of GDP), 2010



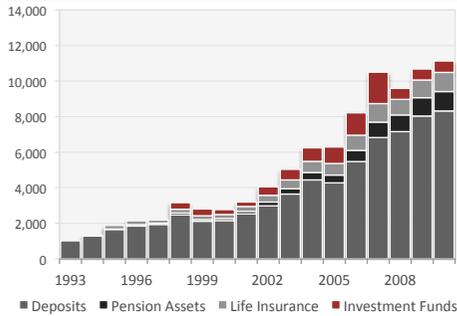
Czechs are relatively little stretched in terms of consumer debt. That is both compared to their Western European and poorer Eastern European peers. With little consumer debt, one of the lowest mortgage loan-to-value ratios in Europe (at around 55%), strong capitalisation and comfortable funding and the banking system, no wonder Czech banks and households are in a relatively solid position compared to the rest of Europe.

Source: World Bank, National Statistical Office, National Central Bank, United Nations, OECD, Helgi Analytics calculation

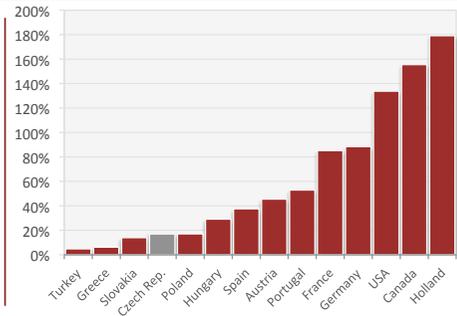


www.HelgiAnalytics.com

HOUSEHOLDS' ASSETS PER CAPITA (Current USD)

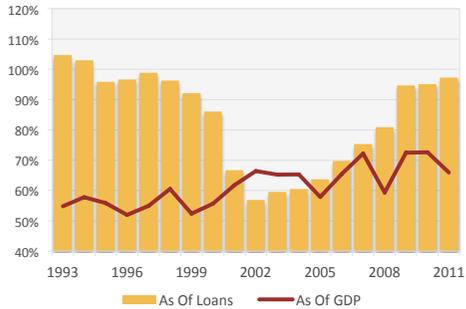


HOUSEHOLDS' ASSETS EXCL. DEPOSITS (As Of GDP), 2009

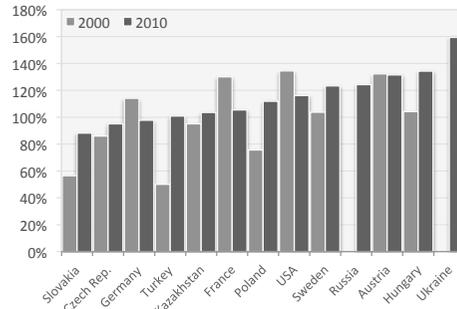


Czechs are rather conservative as far as financial services are concerned. They not only have little consumer debt, but they keep the vast majority of their financial wealth in bank deposits (75% of the total in 2010). Having said that, Czechs have few financial assets compared to the more developed economies as 40 years of Communism destroyed a big chunk of the country's and households' wealth.

BANK DEPOSITS

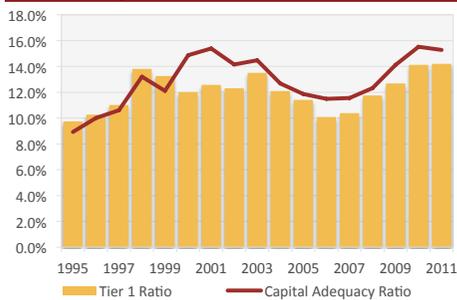


LOANS TO DEPOSITS

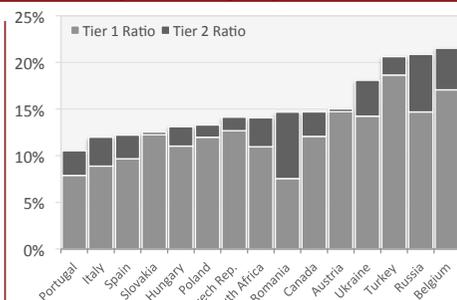


Czech banks have plenty of deposits to play with. The Czech Republic is one of the few developed countries where bank deposits exceed bank loans. This is because of a combination of factors, such as historically low inflation (unlike Hungary and Poland, where savings were partially wiped out by high inflation), the credit crunch and bailout at the end of the 1990s (which reduced the volume of loans), or the overall conservative behaviour of banks and borrowers.

CAPITAL ADEQUACY & STRUCTURE



CAPITAL ADEQUACY RATIO (2009)



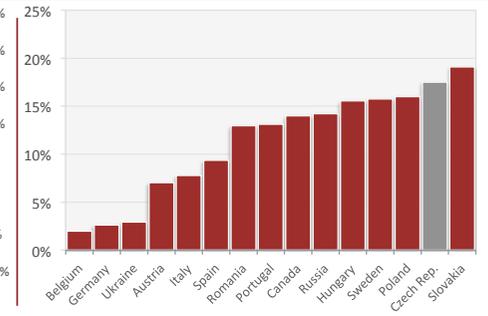
Czech banks are also among the best capitalised in the world, with Tier 1 ratios of over 14% and capital adequacy over 15% in 2011. In addition, the vast majority of the Czech banks' capital is formed by core capital without any hybrid, subordinated or any other "tricky" capital. This puts Czech banks into an even better light than the right-hand chart above might suggest.

Source: World Bank, National Statistical Office, National Central Bank, United Nations, OECD, Helgi Analytics calculation

BANKING PROFITABILITY

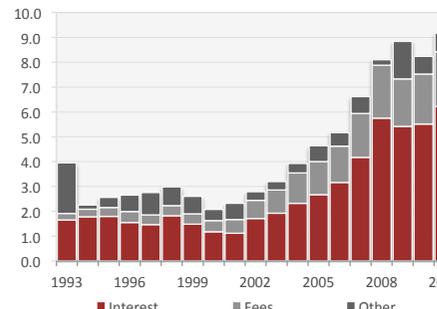


RETURN ON EQUITY (Avg. For 2004-2009)

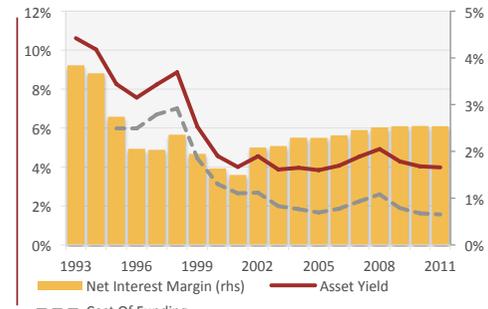


Czech banks are among the most profitable ones in the world. They generated ROE of nearly 16% a year on average in the last decade (and 17.5% over the last 5 years). Unlike a number of countries and banks where historical numbers are seriously questioned now (Greece, Portugal, Spain), the profitability of Czech banks is built on a sound basis and a relatively strong economy.

REVENUE BREAKDOWN (USD bil)

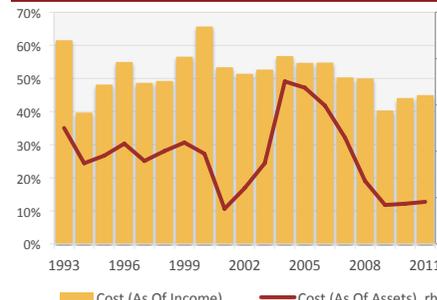


INTEREST RATES & MARGIN

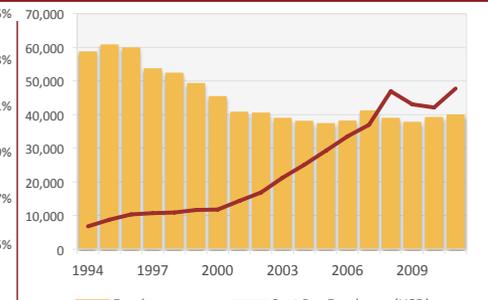


Net interest income remains a dominant part of banking revenues, forming more than two thirds of the total. This is due in large part to the strong lending growth seen over the last decade, especially on the retail side, which helped the net interest margin to stabilise and to increase in the last 10 years.

COST EFFICIENCY



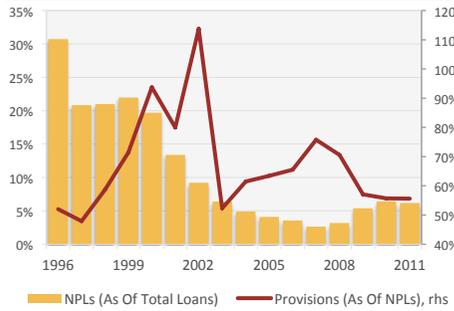
BANK EMPLOYMENT



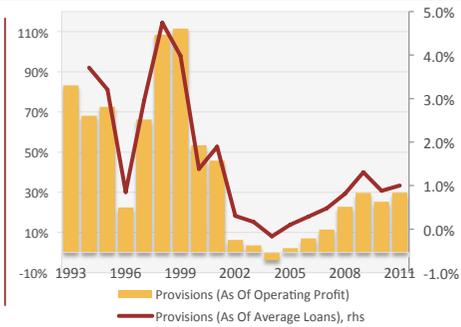
Czech banks seem pretty efficient compared to both their Eastern and Western European peers. Costs account for around 40-50% of total revenues and settled well below 2% of average assets. The banking industry employs around 40,000 people at an average cost of less than USD 4,000 a month per person. That is roughly 30-40% of what Austrian or Belgian banks pay their employees.

Source: World Bank, National Statistical Office, National Central Bank, United Nations, OECD, Helgi Analytics calculation

ASSET QUALITY

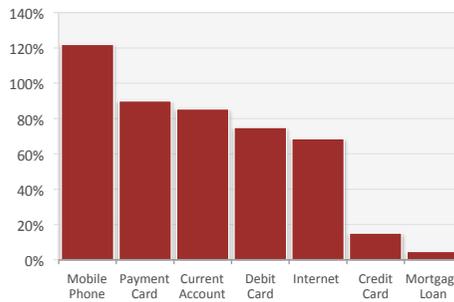


COST OF RISK

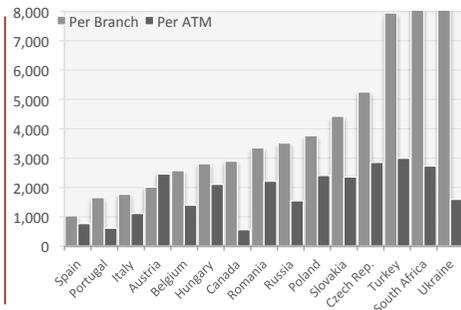


Asset quality remains good, especially following the end of the 1990s, when the largest state-owned banks had to be bailed out by the government. Non-performing loans have dropped from over 30% to 6% of total loans now. Additionally, provision coverage remains solid at around 50-60% of bad loans and the cost of risk (provisions created annually to cover potential loan losses) has stabilised at around 100 bp of average loans.

BANKING PRODUCT PENETRATION (per Capita)

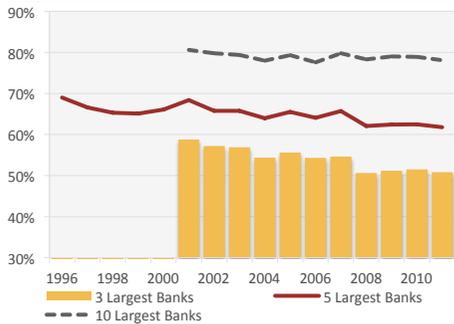


BANKING INFRASTRUCTURE (People Per Branch & ATM)

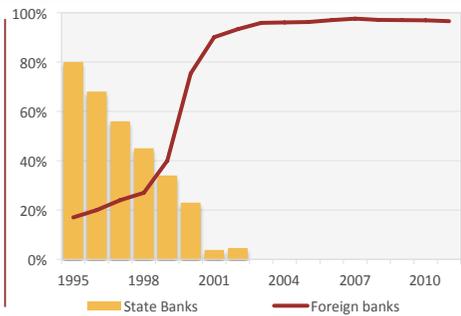


Czech banking is under-penetrated, which could be one of the reasons why Czech banks are so nicely profitable (similarly to Slovakia). With 44 banks only, there are more than 5,000 inhabitants per bank branch and nearly 3,000 people for each ATM. This is 50% penetration compared to Austria, for example, in terms of the branch network, and a similar level to Turkey in terms of ATMs.

MARKET CONCENTRATION (Market Share In Assets)



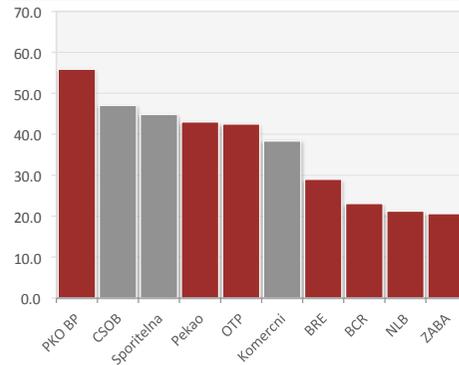
FOREIGN & STATE OWNERSHIP (Market Share In Assets)



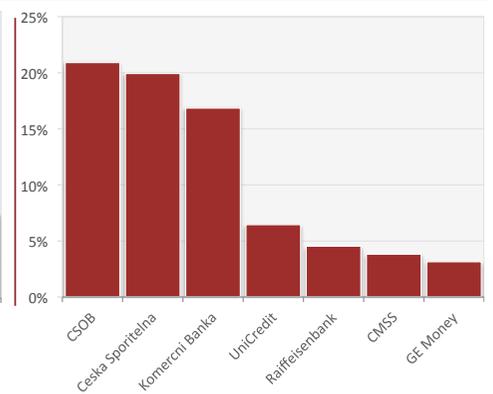
The Czech banking sector is one of the most concentrated ones in Europe. The three largest banks account for more than 50% of the market in terms of total assets. The dominance is even stronger in retail banking, especially the branch network and retail deposits, which leads to relatively high margins and profits for the whole sector. Following a government-orchestrated bailout a decade ago, the state has completely withdrawn from the banking sector.

Source: World Bank, National Statistical Office, National Central Bank, United Nations, OECD, Helgi Analytics calculation

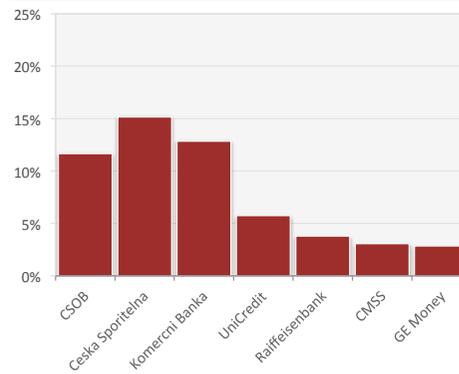
THE LARGEST CEE BANKS (By Assets, USD bil), 2011



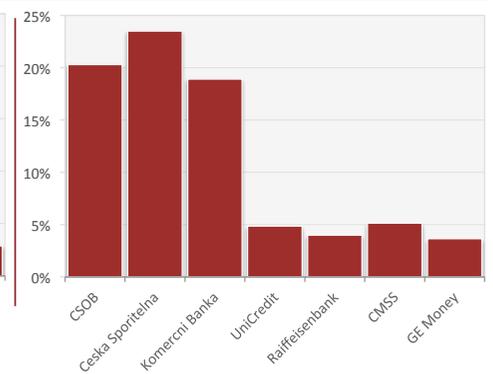
CZECH BANKING - MARKET SHARE (By Assets)



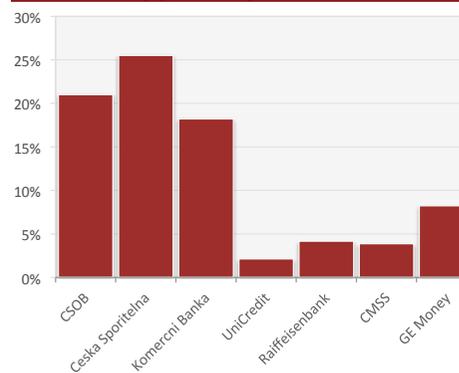
MARKET SHARE (By Loans)



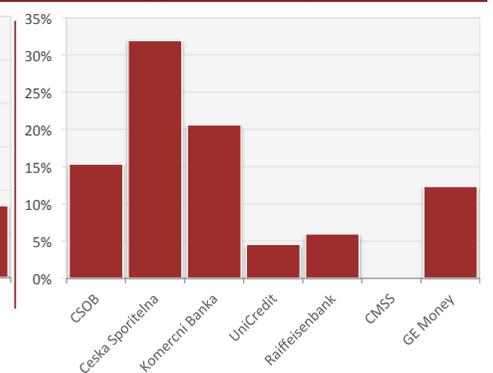
MARKET SHARE (By Deposits)



MARKET SHARE (By Net Profit)



MARKET SHARE (By Branch Network)



Source: National Central Bank, Companies, Helgi Analytics calculation

POPULATION		2003	2004	2005	2006	2007	2008	2009	2010	2011
Population	mil	10.21	10.22	10.25	10.29	10.38	10.47	10.51	10.53	10.50
Population (As % Of World Population)	%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.15%	0.15%	0.15%
Persons Per Household	persons	2.49	2.49	2.49	2.49	2.46	2.42	2.41	2.38	2.35
Share Of Population (0-14 Years Of Age)	%	15.6%	15.2%	14.9%	14.7%	14.4%	14.2%	14.1%	14.0%	14.1%
Share Of Population (15-64 Years Of Age)	%	70.5%	70.8%	71.0%	71.2%	71.4%	71.5%	71.4%	71.1%	70.7%
Share Of Population (65+ Years Of Age)	%	13.9%	14.0%	14.0%	14.1%	14.2%	14.3%	14.5%	14.8%	15.2%
Median Age	years	38.2	38.4	38.7	38.8	39.0	39.1	39.3	39.4	39.6
Old Age Dependency Ratio	%	19.7%	19.7%	19.8%	19.8%	19.9%	20.1%	20.4%	20.9%	21.5%
Youth Dependency Ratio	%	22.1%	21.5%	21.0%	20.6%	20.2%	19.8%	19.7%	19.7%	19.9%
Life Expectancy, both sexes	years	75.2	75.7	75.9	76.5	76.7	77.0	77.1	77.4	
Life Expectancy At 65, both sexes	years	15.7	16.1	16.3	16.8	17.0	17.3	17.2	17.4	
Total Fertility Rate	children	1.18	1.23	1.28	1.33	1.44	1.50	1.49	1.49	
Urban Population As Of Total	%	73.8%	73.8%	73.7%	73.7%	73.6%	73.6%	73.5%	73.5%	73.4%

FINANCIALS (AS OF GDP)		2003	2004	2005	2006	2007	2008	2009	2010	2011
Bank Assets	%	105%	103%	92%	102%	114%	93%	113%	112%	105%
Bank Loans	%	38.8%	39.5%	36.9%	45.6%	54.4%	47.9%	68.6%	69.1%	64.1%
Bank Corporate Loans	%	17.5%	18.0%	16.4%	20.5%	22.6%	19.6%	21.6%	20.9%	19.4%
Bank Retail Loans	%	9.7%	12.3%	13.0%	17.3%	22.0%	20.2%	26.9%	28.0%	25.7%
Mortgage Loans	%	6.3%	8.2%	8.8%	12.0%	15.6%	14.2%	18.9%	19.5%	18.1%
Bank Consumer Loans	%	3.4%	4.1%	4.2%	5.3%	6.4%	6.0%	8.0%	8.5%	7.6%
Bank Deposits	%	65.2%	65.3%	57.8%	65.4%	72.2%	59.3%	72.5%	72.6%	66.0%
Bank Corporate Deposits	%	14.8%	15.0%	14.0%	16.8%	18.7%	13.6%	16.8%	17.0%	15.8%
Bank Retail Deposits	%	39.1%	39.9%	33.7%	37.9%	39.3%	33.3%	42.8%	44.0%	40.1%
Life & Non-Life Insurance Reserves	%	7.2%	7.4%	6.6%	7.6%	7.8%	5.6%	7.1%	7.5%	6.9%
Life Insurance Reserves	%	5.4%	5.6%	5.1%	5.9%	6.0%	4.1%	5.3%	5.7%	5.3%
Non-Life Insurance Reserves	%	1.9%	1.8%	1.6%	1.7%	1.8%	1.5%	1.8%	1.8%	1.6%
Autonomous Pension Fund Assets	%	3.1%	3.7%	3.5%	4.4%	4.9%	4.3%	5.5%	5.8%	5.4%
Institutional Investors' Assets	%	6.3%	6.8%	7.3%	8.8%	10.1%	2.8%	3.3%	3.4%	3.7%
Market Capitalisation Of Listed Companies	%	18.5%	27.1%	29.5%	32.8%	40.7%	21.7%	26.7%	21.6%	17.7%

BANKING STRUCTURE & INFRASTRUCTURE		2003	2004	2005	2006	2007	2008	2009	2010	2011
Number Of Banks	banks	35	35	36	37	37	37	39	41	44
Number Of ATMs	ATMs	2,557	2,850	2,892	3,096	3,363	3,534	3,679	3,868	4,082
ATMs Per Bank	ATMs	73	81	80	84	91	96	94	94	93
ATMs (As Of Bank Branches)	ATMs	1.53	1.60	1.58	1.65	1.81	1.77	1.84	1.94	1.99
ATM Penetration (People Per ATM)	inhabitants	3,994	3,586	3,545	3,323	3,087	2,962	2,856	2,723	2,572
Number Of Banking Units (Branches)	branches	1,670	1,785	1,825	1,877	1,862	1,993	1,998	1,990	2,049
Branches Per Bank	branches	48	51	51	51	50	54	51	49	47
Bank Branch Penetration (People Per Bank Branch)	inhabitants	6,115	5,726	5,617	5,481	5,575	5,252	5,259	5,293	5,124
Number Of Bank Employees	persons	39,004	38,160	37,450	38,232	41,207	39,003	37,864	39,292	40,018
Employees Per Bank Branch	employees	23	21	21	20	22	20	19	20	20
Cost Per Bank Employee	USD per year	21,246	25,039	29,241	33,522	36,946	46,954	43,025	42,086	47,722
Bank Payment Cards	'000	6,651	6,721	7,433	8,185	9,048	9,609	9,353	9,482	10,030
Bank Payment Card Penetration	%	65%	66%	73%	80%	87%	92%	89%	90%	96%
Bank Debit Cards	'000	6,651	6,721	7,433	8,185	9,048	9,609	9,353	9,482	10,030
Bank Debit Card Penetration	%	60%	60%	64%	66%	69%	71%	74%	75%	74%
Bank Debit Cards	'000	215	402	872	1,357	1,847	2,131	1,537	1,588	2,289
Bank Debit Card Penetration	%	2.1%	3.9%	8.5%	13.2%	17.8%	20.4%	14.6%	15.1%	21.8%
Bank Current Accounts	'000	6,683	7,135	7,563	7,447	7,940	8,433	9,001	9,716	
Bank Account Penetration	%	65%	70%	74%	72%	76%	80%	85%	93%	
Foreign Banks (Market Share On Total Assets)	%	96%	96%	96%	97%	98%	97%	97%	97%	97%
State Banks (Market Share On Total Assets)	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Market Share Of 3 Largest Banks (On Total Assets)	%	57%	54%	56%	54%	55%	51%	51%	52%	51%
Market Share Of 5 Largest Banks (On Total Assets)	%	66%	64%	65%	64%	66%	62%	62%	62%	62%
Market Share Of 10 Largest Banks (On Total Assets)	%	79%	78%	79%	78%	80%	78%	79%	79%	78%

Source: Source: World Bank, National Statistical Office, National Central Bank, United Nations, OECD, Helgi Analytics calculation. For more details, description and explanation of particular indicators, please, visit www.helgilibrary.com

BANKING INCOME STATEMENT		2003	2004	2005	2006	2007	2008	2009	2010	2011
Net Interest Income	USD mil	2,113	2,666	2,604	3,429	4,658	5,106	5,619	5,620	5,593
Net Fee Income	USD mil	1,025	1,396	1,294	1,577	1,971	1,881	1,983	2,054	1,988
Other Income	USD mil	374	446	621	594	762	201	1,561	724	667
Total Banking Revenues	USD mil	3,513	4,507	4,519	5,600	7,391	7,188	9,163	8,398	8,248
Operating Costs	USD mil	1,849	2,558	2,471	3,067	3,716	3,595	3,694	3,699	3,708
Operating Income	USD mil	1,663	1,949	2,048	2,533	3,675	3,593	5,469	4,700	4,540
Provisions	USD mil	58	-74	44	178	419	816	1,621	1,189	1,354
Income Tax	USD mil	431	558	412	533	672	434	601	533	514
Net Profit	USD mil	1,175	1,465	1,591	1,821	2,584	2,380	3,251	2,970	2,713
Net Interest Margin (As Of Total Bank Assets)	%	2.11%	2.29%	2.29%	2.34%	2.45%	2.52%	2.54%	2.54%	2.54%
Fee Income (As Of Bank Assets)	%	1.02%	1.20%	1.14%	1.08%	1.04%	0.93%	0.90%	0.93%	0.90%
Total Bank Income (As Of Bank Assets)	%	3.51%	3.83%	3.76%	3.71%	3.58%	3.41%	4.11%	3.76%	3.62%
Bank Cost To Income Ratio	%	53%	57%	55%	55%	50%	50%	40%	44%	45%
Bank Costs To Assets	%	1.85%	2.20%	2.17%	2.10%	1.96%	1.77%	1.67%	1.67%	1.68%
Operating Profit (As % Of Bank Assets)	%	1.66%	1.68%	1.80%	1.73%	1.94%	1.77%	2.47%	2.13%	2.06%
Effective Bank Tax Rate	%	26.8%	27.6%	20.6%	22.7%	20.6%	15.4%	15.6%	15.2%	15.9%
Bank Return on Equity (ROE)	%	10.5%	13.9%	19.0%	16.8%	19.2%	16.6%	19.5%	16.8%	15.1%
Bank Return on Assets (ROA)	%	1.17%	1.26%	1.40%	1.24%	1.36%	1.17%	1.47%	1.34%	1.23%

BANKING BALANCE SHEET		2003	2004	2005	2006	2007	2008	2009	2010	2011
Bank Assets	USD bil	100	118	120	151	206	211	223	224	228
Bank Loans	USD bil	37.0	45.1	47.9	67.7	98	108	135	137	139
Corporate Loans	USD bil	16.6	20.5	21.4	30.4	40.9	44.2	42.6	41.6	42.1
Mortgage Loans	USD bil	6.04	9.32	11.4	17.8	28.1	32.0	37.2	38.9	39.3
Consumer Loans	USD bil	3.20	4.68	5.48	7.91	11.5	13.5	15.8	16.9	16.6
Customer Deposits	USD bil	62.2	74.4	75.2	97.0	130	134	143	144	143
Corporate Deposits	USD bil	14.1	17.1	18.2	24.9	33.8	30.8	33.2	33.8	34.3
Retail Deposits	USD bil	37.3	45.5	43.8	53.8	70.9	75.0	84.4	87.6	87.1
Bank Equity	USD bil	11.0	8.53	8.94	11.2	14.1	15.2	17.4	18.3	18.4
Risk-Weighted Assets	USD bil			58.5			101.8	102.0	99.5	101.1
Bank Loans (As Of Bank Deposits)	%	59.5%	60.5%	63.7%	69.8%	75.3%	80.9%	94.7%	95.1%	97.2%
Bank Loans (As Of Bank Assets)	%	36.9%	38.3%	39.9%	44.8%	47.6%	51.3%	60.7%	61.5%	61.1%
Bank Deposits (As Of GDP)	%	62.1%	63.3%	62.6%	64.3%	63.2%	63.5%	64.2%	64.6%	62.8%
Corporate Loans (As Of Bank Assets)	%	16.6%	17.4%	17.8%	20.1%	19.8%	21.0%	19.1%	18.6%	18.5%
Retail Loans (As Of Bank Loans)	%	9.2%	11.9%	14.0%	17.0%	19.2%	21.6%	23.8%	24.9%	24.5%
Mortgage Loans (As Of Bank Loans)	%	6.0%	7.9%	9.5%	11.8%	13.6%	15.2%	16.7%	17.4%	17.3%
Consumer Loans (As Of Bank Loans)	%	3.2%	4.0%	4.6%	5.2%	5.6%	6.4%	7.1%	7.5%	7.3%
Corporate Deposits (As Of Bank Deposits)	%	14.1%	14.6%	15.2%	16.5%	16.4%	14.6%	14.9%	15.1%	15.0%
Retail Deposits (As Of Bank Deposits)	%	37.2%	38.7%	36.5%	37.3%	34.4%	35.6%	37.9%	39.2%	38.2%
Bank Equity (As % Of Bank Assets)	%	11.0%	7.3%	7.4%	7.4%	6.8%	7.2%	7.8%	8.2%	8.1%
Capital Adequacy Ratio	%	14.5%	12.7%	11.9%	11.5%	11.6%	12.3%	14.1%	15.5%	15.3%
Tier1 Capital Ratio	%	13.5%	12.1%	11.4%	10.1%	10.4%	11.7%	12.7%	14.1%	14.2%

ASSET QUALITY		2003	2004	2005	2006	2007	2008	2009	2010	2011
Non-Performing Loans	USD mil	2,369	2,212	1,963	2,411	2,599	3,423	6,205	7,561	7,365
Total Provisions	USD mil	1,240	1,359	1,245	1,579	1,970	2,416	3,541	4,214	4,094
Provisions (As Of Non-Performing Loans)	%	52.3%	61.4%	63.4%	65.5%	75.8%	70.6%	57.1%	55.7%	55.6%
Provisions (As Of Total Loans)	%	3.35%	3.02%	2.60%	2.33%	2.01%	2.24%	2.62%	3.07%	2.94%
Non-Performing Loans (As Of Total)	%	6.40%	4.91%	4.10%	3.56%	2.65%	3.17%	5.37%	6.44%	6.18%
Uncovered NPLs (As Of Total Assets)	%	3.05%	1.89%	1.50%	1.23%	0.64%	0.93%	2.31%	2.85%	2.75%
Non-Performing Loans (As Of Total Assets)	%	2.36%	1.88%	1.63%	1.60%	1.26%	1.63%	2.78%	3.38%	

MACROECONOMIC ROUND-UP		2003	2004	2005	2006	2007	2008	2009	2010	2011
GDP	USD bil	95.3	114.0	130.1	148.3	180.5	225.4	197.2	198.9	217.0
GDP Growth	%	3.8%	4.7%	6.8%	7.0%	5.7%	3.1%	-4.5%	2.5%	1.9%
GDP Per Capita	USD	9,336	11,157	12,706	14,446	17,467	21,627	18,806	18,910	20,579
Industrial Production Growth	%	1.6%	10.4%	3.9%	8.3%	10.6%	-1.8%	-13.6%	10.3%	6.9%
Retail Sales Growth	%									
Government Budget Balance (As % Of GDP)	%	-4.9%	-3.2%	-3.7%	-2.4%	-0.7%	-2.2%	-5.8%	-4.8%	-3.1%
Public Debt (As % Of GDP)	%	20%	29%	28%	28%	28%	29%	34%	38%	41%
Unemployment Rate	%	7.8%	8.3%	7.9%	7.1%	5.3%	4.4%	6.7%	7.3%	6.7%
Gross Average Monthly Wage	USD	638	759	847	951	1,124	1,405	1,256	1,289	1,407
Foreign Debt (As % Of GDP)	%	37%	40%	36%	39%	42%	37%	45%	48%	
Imports (As % Of GDP)	%	60%	62%	62%	64%	66%	62%	55%	63%	69%
Exports (As % Of GDP)	%	59%	63%	64%	67%	68%	64%	59%	67%	73%
Current Account Balance (As % Of GDP)	%	-6.3%	-5.2%	-1.3%	-2.5%	-4.4%	-2.1%	-2.5%	-3.8%	-3.0%
Foreign Exchange Reserves (Including Gold)	USD bil	27.0	28.5	29.6	31.5	34.9	37.0	41.6	42.5	40.3
Foreign Exchange Reserves (As % Of Imports)	%	47%	40%	37%	33%	29%	26%	38%	34%	27%
Foreign Direct Investments	USD bil	2.0	5.0	11.6	5.5	10.6	6.6	2.9	6.1	5.4
Foreign Direct Investments (As % Of GDP)	%	2.1%	4.4%	8.9%	3.7%	5.9%	2.9%	1.5%	3.1%	2.5%
Foreign Direct Investments (As % Of CA Deficit)	%	33%	83%	704%	149%	134%	137%	59%	80%	84%
Workers' Remittances, Received (As % Of GDP)	%	0.5%	0.7%	1.1%	1.1%	1.1%	0.9%	1.0%	1.0%	0.8%
Portfolio Investments (As % Of GDP)	%	-1.2%	1.7%	-2.6%	-0.8%	-1.5%	0.0%	4.4%	3.9%	0.2%
Development Assistance (As % Of GDP)	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

INFLATION, FOREX & INTEREST RATES		2003	2004	2005	2006	2007	2008	2009	2010	2011
Inflation, CPI (Average)	%	0.1%	2.8%	1.8%	2.5%	2.9%	6.4%	1.0%	1.5%	1.9%
Long-Term Interest Rate (10-Year Gov. Bond Yield)	%	4.1%	4.8%	3.5%	3.8%	4.3%	4.6%	4.8%	3.9%	3.7%
Short-Term Interbank Interest Rate (3-Month)	%	2.3%	2.4%	2.0%	2.3%	3.1%	4.0%	2.2%	1.3%	1.2%
Interest Spread To USD, 10-Year Gov. Bond	%	0.1%	0.5%	-0.7%	-1.0%	-0.3%	1.0%	1.6%	0.7%	0.9%
Interest Spread To USD, 3M IBOR	%	1.1%	0.8%	-1.5%	-2.9%	-2.2%	0.8%	1.3%	0.8%	0.8%
FX Rate To USD (Average)	per USD	28.2	25.7	23.9	22.6	20.3	17.0	19.1	19.1	17.7
FX Rate To EUR (Average)	per EUR	31.8	31.9	29.8	28.3	27.8	25.0	26.4	25.3	24.6

Source: World Bank, National Statistical Office, National Central Bank, United Nations, OECD, Helgi Analytics calculation. For more details, description and explanation of particular indicators, please, visit www.helgilibrary.com



www.HelgiAnalytics.com

ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 95% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit www.helgilibrary.com or contact us at info@helgianalytics.com.

Helgi Analytics

Eliasova 38, Prague 6
160 00, Czech Republic
www.helgianalytics.com

DISCLAIMER

© 2012, HELGI ANALYTICS LTD. ALL RIGHTS RESERVED. All information contained herein is protected by Copyright Law and no such information may be copied or otherwise reproduced, in whole or in part, in any form or manner, by any Person or Company without Helgi Analytics' prior written consent. All information contained herein is obtained by Helgi Analytics from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error, as well as other factors, however, all information contained herein is provided without warranty of any kind. Under no circumstances is Helgi Analytics under any liability to any person or entity for any loss or damage caused by any error, or other circumstance or contingency within or beyond the control of Helgi Analytics or any of its directors, employees, or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication, or delivery of any such information, or any direct or indirect damages whatsoever. The financial reporting, analysis, projections, observations, and other information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell, or hold any securities.